

Minutes of the Personnel Committee

Tuesday, November 4, 2008

Chair Schellinger called the meeting to order at 1:02 p.m.

Present: Supervisors Tom Schellinger (Chair), Dave Falstad, Steve Wimmer, Jim Heinrich, and Jim Behrend. Pete Gundrum arrived at 1:13 p.m. **Absent:** Ted Rolfs.

Also Present: Legislative Policy Advisor Dave Krahn, Legislative Policy Advisor Ann Olson, Director of Administration Norm Cummings, Employment Services Manager Sue Zastrow, Senior Financial Analyst Clara Daniels, County Clerk Kathy Nickolaus, County Board Supervisor Kathleen Cummings, Employee Benefits Administrator Pete Hans, Labor Relations Manager Jim Richter, Principal Human Resources Analyst Terri Sgarlata-Lutz, Senior Financial Analyst Bill Duckwitz, and Senior Financial Analyst Lyndsay Johnson. Recorded by Mary Pedersen, County Board Office.

Approve Minutes of 10-7-08

MOTION: Heinrich moved, second by Behrend to approve the minutes of October 7. Motion carried 5-0.

Presentation on Pay for Performance Compensation System

Cummings said the current system was implemented because the old system was a six-step system and employees would reach the top of the pay range in four years. Also, this was a pass/fail system. Once an employee reached the top, there was pressure for employees to progress but all they would receive after this point was the across-the-board increases. Therefore, there was pressure to either reclassify the position, which in most instances was not appropriate, or risk them leaving for other employment. The current system is performance based which includes established goals for each employee for the year. Staff did not want a system that increased the base pay as quickly as was the case with the previous system. Cummings advised they do not consider this a bonus because it is tied to performance. The Pay for Performance System saves money because it is not tied to an employee's base pay. Zastrow distributed copies of "Non-Represented Salary Ranges" which highlighted the steps and salary increases of the former and current systems.

Gundrum arrived at 1:13 p.m.

The current system is still a step system but the steps are smaller and the pay for performance kicks in at the ninth step. This system has been very effective at documenting performance; it is a great recruitment tool, and it is necessary to retain quality employees. Cummings said this program is also good for represented employees whereby he referenced the Communications Center employees as the perfect example. However, most unions are not interested in it because they represent the whole and not everybody benefits from this system. Gundrum thanked staff for bringing forward the information and said he now has a better understanding of the system. Zastrow distributed information on salary ranges for the social worker, public health nurse, and deputy sheriff positions.

as examples of their current pay structures. Cummings noted that the current system has been in place for 11 years and it was the subject of an Internal Audit back in 1999.

For more details on the Pay for Performance Compensation System, see the Personnel Committee minutes of 8-19-08.

Ordinance 163-O-063: Approve Changes For Non-Represented Employees' Benefits In 2009

Richter and Hans reviewed this ordinance as outlined which authorizes a change in design of the self-funded dental plan for non-represented employees and elected officials by increasing the maximum benefit allowance from \$1,000 per person to \$1,250 per person. Hans said there has not been an increase since the inception of this program 23 years ago. Richter said the total cost for 2009 is estimated to be about \$13,200 for 390 participants.

MOTION: Heinrich moved, second by Falstad to approve Ordinance 163-O-063. Motion carried 6-0.

Ordinance 163-O-065: Modify Benefit Coverage Under The Retiree Health Insurance Plan

Hans said this ordinance authorizes changes in the health plan design for County retirees. Eligible participants are rated in a separate risk pool from active employees and retirees pay the full premium costs for the plan as determined by the County's actuary. Hans said we want to make the programs as attractive as we possibly can for the retirees while keeping the County's costs as low as possible.

Hans indicated there are two retiree plans. The Medicare Advantage Plan is for retirees who are over age 65 and who have Medicare. We use the Humana Gold Advantage Program. For 2009, the premium will be \$124 per month for a single plan which is very affordable. The vast majority of our Medicare age retirees have moved into that Humana product and they are very pleased with it.

Hans advised we also have a plan for under age 65 retirees. These are expensive because Medicare is not the primary insurance so our plan has to cover the full cost. There are two options under this plan. Option 1 features lower deductibles and co-pays and a higher monthly premium. Option 2 features higher deductibles and co-pays and a lower monthly premium. Because the premium would have been around \$900 per month for a single plan, a very high premium for health coverage (a 20% increase), the benefit design needed to be adjusted. Hans said our actuary developed alternatives and we chose a couple options we thought would be beneficial. Richter said instead of a 20% premium increase, it will be less than an 11% due to these changes.

MOTION: Heinrich moved, second by Wimmer to approve Ordinance 163-O-065. Motion carried 6-0.

Ordinance 163-O-064: Ratification Of 2008 – 2009 – 2010 Association Of Professional Correctional Officers And Telecommunicators

Richter and Sgarlata-Lutz reviewed this ordinance as outlined. Richter said this contract, for the most part, mirrors the other contracts previously settled. Richter discussed this agreement which includes increased in-network health insurance deductibles and out-of-pocket maximums, increased prescription costs, and increased uniform allowances.

Across the board salary increases are as follows: 2% in January of 2008, 1% in July of 2008, 2% in January of 2009, 1% in July of 2009, 2% in January of 2010, and 1% in July of 2010. The agreement also provides increased compensation when a Telecommunicator is assigned to training and when they are assigned as Officer in Charge in the absence of a supervisor. The total cost for 2008, including wages and benefits, will be \$9,279,188, an increase of 2.51%; 2009 costs total \$9,543,861, an increase of 2.85%; and 2010 costs total \$9,768,281, an increase of 2.35%.

MOTION: Falstad moved, second by Wimmer to approve Ordinance 163-O-064. Motion carried 6-0.

Announcements

Schellinger announced that the November 18 Personnel Committee meeting has been canceled.

MOTION: Wimmer moved, second by Heinrich to adjourn at 2:23 p.m. Motion carried 6-0.

Respectfully submitted,

Approved on:_____

Ted Rolfs
Secretary